



Indiana's Early Intervention System for Infants, Toddlers & Their Families  
Frank O'Bannon, Governor of Indiana • John Hamilton, Secretary, Family and Social Services Administration  
2002 Annual Performance Report July 1, 2001 - September 30, 2002

For additional information on Indiana's eligibility policy, mediation guidelines, or other aspects of First Steps described in this report, and to get the name and telephone number of your local First Steps office, contact:  
Indiana First Steps by telephone at  
1 (317) 232-1144  
or toll-free in Indiana  
1 (800) 441-7837  
or visit our web site at  
[www.state.in.us/fssa/first\\_step/](http://www.state.in.us/fssa/first_step/)

"Need more  
info?"



First Steps

Indiana's Early Intervention System  
Bureau Of Child Development  
402 West Washington Street, Room W-386  
Indianapolis, IN 46204-2739

PSRT STD  
US POSTAGE  
**PAID**  
FORT WAYNE, IN  
PERMIT NO. 760

"Of course  
we include Suzie –  
she's just one  
of us!"

— Sandi, age 6, friend of Suzie, age 5,  
First Steps graduate and Suzie's #1 pal

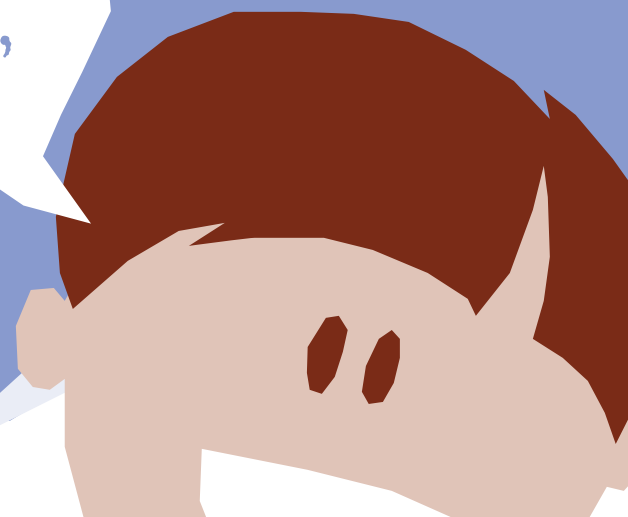


"My little brother  
don't run fast,  
but he sure makes  
me laugh a lot!"

-Mike, age 7, brother of Andy, age 1 and First Steps participant

"You have  
a cool  
brother!"

-Joey, age 6, next door neighbor  
and friend of Mike and Andy



## A Message from the ICC Chairperson

Dear Governor O'Bannon:

For more than six years I have had the privilege of serving as the Chairperson of the Governor's Interagency Coordinating Council on Infants and Toddlers (ICC). As my term comes to an end, I am pleased to submit to you once more the annual report of the ICC.

During the 2001-2002 grant year, the First Steps program provided more than 18,000 children and their families with valuable support and services required to address their developmental needs. These important supports and services continued in the face of a serious fiscal crisis in our state and continued demands for quality and accountability in all social service systems. While the state's fiscal challenges continue to grow, so does the number of children needing early intervention. To ensure that families and children continue to get what they need from the system, program staff have spent considerable time and energy on changes that will address both quality and cost of services. Short summaries of the many successful projects as well as developing initiatives can be found on the following pages.

Parents, providers and other system stakeholders feel passionately about the First Steps program. While change is traditionally hard for people, programs must adapt to changing environments in order to secure their future. As I transition off the ICC, I encourage all stakeholders to continue to participate actively in the critical discussions that will guide the system's future. Many years ago the ICC and the Bureau of Child Development jointly adopted the Vision Statement for the First Steps Early Intervention System which appears in this report on page 5. Periodically the ICC reviews the vision to ensure that its principles continue to be relevant and reflect our values and beliefs. I encourage all stakeholders to review the vision regularly and to let this vision serve as a guide when considering ways to most effectively meet the needs of children and families.

Volunteering my time to advise and assist Indiana's First Steps Early Intervention Program has been immensely gratifying. My quadruplet sons, who transitioned from First Steps in 1996, are now third graders, participating in general education programs, extracurricular activities, clubs and community events just like all the other children in their school. I attribute their ongoing success to the support, information and services we received while participating in the First Steps program, where our family began the journey to learn about their disabilities as well as their abilities.

Thank you for allowing me the opportunity to serve the families and children of First Steps of Indiana. I look forward to the continued growth and success of the program that gives children opportunities for full participation in their homes, schools, and communities.

Sincerely,

*Denise Arland*

**Denise Arland, Chairperson**  
Governor's Interagency Coordinating  
Council on Infants and Toddlers

## What is the Interagency Coordinating Council (ICC)?

Indiana's Interagency Coordinating Council on Infants and Toddlers (ICC), which was first convened in 1987, is appointed by the governor to advise and assist the Bureau of Child Development (BCD), the lead agency, in its responsibilities. Comprised of members representing parents of children with special needs, state agency groups, early intervention service providers, legislators, pre-service professionals, and others, the ICC is committed to holding the vision of First Steps Early Intervention Services in Indiana and to keeping abreast of issues, concerns, and trends that may affect Indiana First Steps in the future.

The ICC utilizes standing committees and task forces, developed around the basic components of early intervention, to identify current issues, gather information, and make informed and supportive recommendations to the Bureau. Family members, early intervention providers, Local Planning and Coordinating Council members and other interested community leaders serve on the committees and task forces of the ICC. With the help of these local representatives, the ICC can assist the Bureau in developing an early intervention system of the highest quality, which seeks to balance family-centered services with fiscal responsibility.

## What is the role of the First Steps Local Planning and Coordinating Councils (LPCCs)?

Thanks to having LPCCs in every one of Indiana's 92 counties, our state is making successful progress toward bringing together federal, state, local, and private funding sources to develop a coordinated, community-based, family-centered system of services. Each county's LPCC provides the authentic voice for early intervention services at the local level by identifying concerns, issues, and strengths unique to each community and then crafting a service delivery system that meets those locally identified needs.

In an effort to extend all that has been learned in early intervention, local LPCCs are working with each county's Step Ahead process, a pioneering framework for coordinating services for children ages birth to 13 and their families.

"I like  
music.  
I like to  
dance."

— Anna, age 3, digital hearing aid user

## Members of the Indiana Governor's Interagency Coordinating Council on Infants and Toddlers

**Denise Arland**, Council Chairperson, Parent, Greenfield

### Parents:

**Barbara Heffernan**, Kokomo

**Kathy Morrison**, Muncie

**Valerie Strohl**, Zionsville

### Early Intervention Providers

**Bill Swiss**, Anthony Wayne Services, Fort Wayne

**Ginger Whittler**, Occupational Therapist, Evansville

**Anna Dusick, M.D.**, Riley Hospital for Children, Indianapolis

**Marilyn Redmon**, Tippecanoe Child Care

**Annie Wilson**, Speech Therapist, Indianapolis

### State Agency Representatives

**J. Lanier DeGrella** (Part C Coordinator), FSSA,

Division of Family and Children, Bureau of Child Development

**Sheron Cochran**, Department of Education, Division of Exceptional Learners

**Phyllis Kikendall**, FSSA, Division of Family and Children, Bureau of Child Development

**Judy Ganser, M.D., MPH**, Maternal Child Health Services, Indiana State

Department of Health

**Jim Phillips**, FSSA, Division of Mental Health

**Paul Hyslop**, Department of Insurance

**Open position**, FSSA, Division of Disabilities, Aging and Rehabilitative Services

**Tim Maley**, FSSA, Office of Medicaid Policy & Planning

### Personnel Preparation

**Azar Hadadian**, Ph.D., Muncie

### Legislators

**Vanessa Summers**, State Representative, Indianapolis

### Child Care

**Carole Stein**, FSSA, Division of Family and Children

### Head Start

**Melanie Flory**, Vincennes

## What is First Steps?

Indiana's First Steps System is a family-centered, locally-based, coordinated system that provides early intervention services to infants and young children with disabilities or who are developmentally vulnerable.

First Steps brings together families and professionals from education, health, and social service agencies. By coordinating locally available services, First Steps is working to give Indiana's children and their families the widest possible array of early intervention resources.

Families who are eligible to participate in Indiana's First Steps System include children, ages birth to three years, who:

- Are experiencing developmental delays.
- Have a diagnosed condition that has a high probability of resulting in developmental delay.
- Are at risk of having substantial developmental delay as a result of biological risk factors if early intervention services are not provided.

First Steps is administered by the Bureau of Child Development within the Division of Family and Children of Indiana's Family and Social Services Administration (FSSA).

## Our Mission:

To assure that all Indiana families with infants and toddlers experiencing developmental delays or disabilities have access to early intervention services close to home when they need them. This is accomplished through the implementation of a comprehensive, coordinated statewide system of local interagency councils called First Steps.

## Our Vision

Our goal is to serve infants and toddlers with or at-risk for special developmental needs by providing a family-centered, comprehensive, coordinated, neighborhood-based system of services for them and their families. To this end, we:

- Involve families in the development, implementation, and evaluation of the service system.
- Make services accessible and widely dispersed throughout the community.
- Offer choices to families that are typical of the choices available to all families of young children in their everyday routines, settings, and activities.
- Offer services that are culturally sensitive and tailored to individual needs of the child as well as family priorities.
- Offer services that exemplify best practices in early intervention and be accountable for the quality of these services by evaluating them in terms of process and outcome.
- Respect families by acknowledging that they are the primary constant in the child's life and by helping them to make choices as well as supporting them as they implement those choices, even when we disagree with them.
- Focus on prevention of, as well as intervention for, disabilities among infants and toddlers, keeping in mind that the ultimate goal is maximizing the potential of children so that they can function as contributing members of society as adults.
- Creatively use existing resources and seek additional resources to maximize service options for families and to fairly compensate staff providing services.

**Indiana's First Steps Early Intervention System believes in effective collaboration. Through a multitude of partnerships and programs, we are helping families, providers, communities, and policy makers understand the importance of early intervention through quality care for children with special needs.**

### Intra-Agency Partnerships

The purpose of the agreement between the divisions of the Family and Social Services Administration is to promote continued cooperation of a coordinated intra-agency system of services for serving eligible children with special needs from birth to three years of age and their families. By specifying the roles and responsibilities of the participating agencies, the system is fully able to implement early intervention services as defined under the Individuals with Disabilities Education Act (IDEA), Part C, while minimizing duplication and sharing resources.

The participating members include Division of Family and Children, Healthy Families; Bureau of Child Development; Bureau of Family Preservation; Division of Aging and Rehabilitation Services; and Division of Mental Health. The fundamental principles supporting this partnership are:

- Parent and professional collaboration
- Community-based services (services in the child's daily routine)
- Inter-agency collaboration, specifically the prevention of duplication
- Public awareness
- Child Find
- Individualized Family Service Plan (IFSP)
- Procedural safeguards
- Data collection
- Financial responsibility
- Comprehensive System of Personnel Development (CSPD)

### Inter-Agency Partnerships

First Steps has joined forces with the Department of Education (DOE), the Office of Medicaid Policy and Planning (OMPP), the Indiana State Department of Health (ISDH), and Children with Special Health Care Services (CSHCS) in an effort to: 1) promote cooperation in the development of a coordinated inter-agency system of services for young children with special needs from birth through age five and their families; 2) fully coordinate and maximize resources available and mandated for eligible and potentially eligible children, ages birth to three, and to ensure that medically eligible children participating in the State's program receive appropriate health care; and 3) promote high quality health care and services for infants and toddlers with disabilities, ages birth to three and their families.

The content of each agreement specifies the roles and responsibilities of the participating agencies related to services required and provides guidance for their implementation. These joint agreements provide a policy framework for cooperative efforts and seek to clarify issues related to those efforts.

Participating agencies within these agreements include the Family and Social Services Administration; Division of Family and Children; Bureau of Child Development, First Steps Early Intervention System; Department of Education, Division of Exceptional Learners; the State Education Agency; Administration for Children and Families, Region V and the Indiana Head Start Association, representing Head Start agencies in Indiana; Maternal and Child Health Services; Children's Special Health Care Services; Women, Infants, and Children; and the Health Care Financing Administration.

The fundamental principles guiding the work of these partnerships are:

- Parent involvement and family support
- Services with typically developing peers
- Interagency coordination and non-duplication
  - Transmission of information
  - Transition conference
  - Evaluation
    - Case conference
      - Fiscal issues
      - Public awareness
      - Child Find and Referral procedures
      - Comprehensive System of Personnel Development (CSPD)
      - Confidentiality
      - Program rules and monitoring



"Mark's my friend...he's a good colorer."

~Tommy, almost 3, speaking of Mark, age 2 and budding artist

**Indiana First Steps collaborative partnerships proactively produce a variety of successful initiatives that reinforce and promote the First Steps mission of helping infants and toddlers with special needs and their families. The following programs are selected examples of our efforts.**

### Universal Newborn Hearing Screening

Indiana's Universal Newborn Hearing Screening program (UNHS) is in its third year. The legislation driving the UNHS program mandates a physiologic screening for all infants with the goal of diagnosis before three months and enrollment into early intervention services before six months of age for those diagnosed with hearing loss. Recent research indicates that children identified with hearing loss that receive intervention before six months of age develop language (spoken or signed) comparable with their hearing peers.

In 2002, 99 percent of all hospitals were reporting data to the Indiana Department of Health (ISDH). The ISDH centralized follow-up system ensured that 98.4 percent of all infants were screened. Approximately 1.4 percent, or 1023 infants, did not pass after two screens. Of those who did not pass, 86 percent, or 882 infants, were referred to First Steps for diagnostic testing—a dramatic increase from the 51 percent of referrals in 2001.

While referrals to First Steps have increased, the UNHS Regional Audiology Outreach consultants worked to increase the number of early intervention referrals and timeliness of diagnostic services. The consultants partnered with local LPCC's to raise awareness and educate local providers regarding the program's goals, protocols and need for follow-up.

A Parent Focus Group developed a survey for the ISDH to determine parent satisfaction with the screening process. The parent focus group also reviewed, updated, and revised the Family Resource Guide for children with hearing loss, adding sections that include developmental milestones and ideas for helping to facilitate language development, spoken and/or signed. The guide serves as a valuable tool for First Steps Service Coordinators and providers to ensure family education and connection with appropriate resources.

The UNHS Advisory Board reviewed and approved the hospital policy manual, Family Resource Guide, and new procedures for audiologists reporting diagnostic results for children with hearing loss to ISDH. ISDH will be able to track all babies referred from screening. Regional Audiology consultants are working with local audiologists to refer children diagnosed with hearing loss to appropriate First Steps and other early intervention services.

The First Steps Web site includes an icon for UNHS that provides the Family Resource Guide, regional map and consultant lists. An electronic tracking system that will link ISDH data with First Steps data is under construction and is to be implemented within the next year.

### Early Head Start/Head Start

Federally funded Early Head Start/Head Start programs provide extensive educational, health, nutritional, and parent involvement and support services for low-income families with children, ages birth to five. Since 1965, these programs have helped enrolled children achieve their potential. In 1974, Head Start programs began serving children with disabilities. No less than 10 percent of the federally funded slots must be designated for children with disabilities.

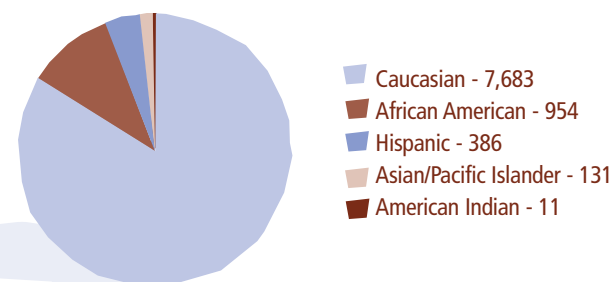
Transition is an important focus of the Head Start program. A 2001 study conducted by the Indiana Head Start Partnership found that First Steps is identified as "the most helpful community entity in questions of transition." The study recognized 67 of Indiana's 92 counties as having beneficial interactions.

### Cultural Competence Program

The Multicultural Training team, as established by the ICC with assistance from several other statewide partners, implemented a training plan for Indiana's Early Childhood System to increase cultural competence among early childhood providers and families.

The first phase sponsored by the Department of Education Division of Exceptional Learners featured a successful one-day conference with Guadalupe Lara in August 2002. Lara spoke on the topic of Cultural Competence in the workplace. Her session drew a diverse audience of early childhood providers (including both early intervention and pre-school providers), community agency representatives, family members and others. To support more comprehensive work towards cultural competence, the team held intensive two-day sessions in three Indiana communities in September 2002. Based on the success of these seminars, ten more similar cultural competence sessions are being implemented in 2003 with support from the Bureau of Child Development. The seminar encourages participants to learn more about the concept of cultural competence, more about specific cultures and to consider their own ideas and issues in their work with young children and families. Participants discuss specific strategies to improve their work with children and families from a cultural perspective.

### Participation by Race





## Healthy Families

Administered by the Family and Social Services Administration, Healthy Families Indiana is designed to strengthen families and promote healthy childhood growth and development. Healthy Families is a national, research-based home visitation model that provides weekly home visiting services including child development, access to health care, and parent education. The program is offered to prenatal and postnatal parents and continues until the child turns five. Infants identified with developmental delays or who are biologically at risk for developmental delay are referred to First Steps. More than 15,000 families received services during 2002.

Indiana is gaining national recognition for developing and implementing a high quality system for statewide training and technical assistance. In July 2002, Healthy Families America/Prevent Child Abuse America selected Indiana as a Regional Center of Excellence in partnership with Michigan and Illinois. The center will offer home visitation training to expand the program to other states in the Midwest region.

## Unified Training System

The Unified Training System (UTS)—a collaborative effort of First Steps Early Intervention System within the FSSA Bureau of Child Development, the Department of Education Division of Exceptional Learners, six university programs, and two statewide family training organizations—continued to support the statewide coordination of training activities related to young children. The UTS provides a coordinated schedule of training activities in terms of topics, locations, and dates throughout the state available year round. During the past year, five university programs and one statewide family training organization worked with many families and direct service providers to develop and deliver local, regional, and statewide learning opportunities.

During this fiscal year, 5,544 participants from around the state utilized the registration services provided by the UTS Connect Office and attended 86 UTS-sponsored training events. The UTS Connect Office provides a hotline to register for UTS-sponsored learning opportunities and to access training resources. During the year, the Family Involvement Fund provided funding to support the participation of family members of children with special needs to attend early childhood training events.



“My  
mommie is  
the bestest!”

—Kimmy, age 3, First Steps graduate  
and Healthy Families kid

## Actions and Accomplishments

### Family to Family Initiative

Family to Family (F2F) continued to grow and expand in 2001-2002. Through outreach and networking activities, F2F Regional Facilitators and parent Points of Contact tracked more than 3,000 contacts with Indiana families and providers during the grant year. Thirty-five trained Points of Contact served 15 counties, with 19 family members participating on their Local Planning and Coordinating Councils across the state. More than 20 different referral sources were documented, demonstrating that F2F is becoming more widely recognized in the early childhood community. Training was available to family participants in all F2F component areas throughout the year. The F2F list serve, an electronic discussion group via the World Wide Web introduced in April 2001, generated more than 800 messages between families last year.

Family to Family is committed to working with existing systems, groups and initiatives to develop a comprehensive approach to supporting the needs of families. More than 100 referrals were made to existing groups and networks by the initiative. F2F facilitators presented information on the initiative in nine different venues, increasing awareness among parents, early intervention providers, local First Steps and SPOE staff, early childhood teachers, and other advocates. During the next grant year F2F will continue to expand the number of participating families and increase the number of counties who have trained volunteers available to support others.

### Family Support LINK Pilot Project

For the past several years, the ICC Family Support Task Force developed a proposal and advocated for a Family Support professional to be included early in the First Steps team process. The proposal was approved at the state level and piloted in an Indiana county. Hancock County was chosen by the ICC a year ago to pilot the new program, and the project—called Family Support LINK—officially began in May of 2002.

The goal is to employ a paid staff member for 20 hours per week to meet with families and help LINK them with other families who are dealing with similar situations. Similarly, this staff person is to connect these families with local, state, and national resources. The LINK works with the local SPOE staff to identify families who may be interested in services. The staff member attends IFSP meetings, support group meetings, provider meetings, and disperses mailings to educate communities that immediate support is available for First Steps families. This program is intended to interface with other family support initiatives while providing early and ongoing support for families.

The program LINKed approximately 20 families in the first three months, as well as identified several individuals that would like to be a contact for families to LINK to as volunteers for ongoing support. This level of involvement is broadening the opportunities for families to be connected and supported by families in similar circumstances.

## Family Involvement Fund

Fiscal year 2001-2002 was the most active year in the history of the Unified Training System's Family Involvement Fund. Families from 65 of Indiana's 92 counties applied to the fund, granting more than 700 Hoosier families financial assistance to participate in nearly 90 different conferences, workshops, and other learning opportunities. Sixty-seven percent of families applying to the fund were families of young children birth to six years of age. The remaining one third were families of children seven years of age and older. All families who participated in the different learning opportunities reported growth in information and knowledge that they will use to better support their children with special needs and to strengthen the family. One mother said it simply and best, "Thank you for helping me help my son."

For fiscal year beginning October 1, 2002, the total support available to families will increase to \$300 per person or \$600 per family per year. Also in this year, parents who participate in training activities through the UTS Family to Family project may request support from the UTS Family Involvement Fund to help offset costs associated with their training. The \$300 individual annual limit for financial assistance from the Family Involvement Fund for these parents will not be affected.

## Transition

Indiana remains committed to improving transition experiences for families and young children birth through eight years. Indiana's State Transition Initiative was established to assist communities in creating a comprehensive, community-wide systems approach to transition to ensure positive and effective transition experiences for families and young children. STEPS (Sequenced Transition to Education in Public Schools) Model training continues to be offered to community teams. Bartholomew, Davies, Posey, and Vanderburgh counties joined Gibson, Johnson, St. Joseph, and Scott counties with trained transition teams as STEPS model sites.

To date,

- 58 of Indiana's 92 counties have gone through the STEPS Orientation Process.
- 56 counties have completed the Self-Assessment Process.
- Eight counties have been through the STEPS training and have developed a one-year action plan.
- Five counties have set training dates within the 2003 calendar year.

Of the counties that completed the self-assessment, 87 percent have identified a need for improving the transition system and a commitment to establish a team to work on transition issues. During this reporting period, there was an increase in the number of written agreements reported by community teams.

Indiana's Transition Initiative for Young Children and Families has developed a Web site at [www.IN.gov/fssa/first\\_step/trans](http://www.IN.gov/fssa/first_step/trans) as a resource for communities. The site features a collection of materials to support the administrative, staff preparation, family involvement, and child preparation components of the transition system. Transition agreements and memorandums of understanding, timelines, and family exit surveys are a few of the resources available at this site.

## System Outcomes Project

"Accountability" is a prime buzzword among education and social service systems, including Indiana's First Steps System. For the past three years, the Early Childhood Center at the Indiana Institute on Disability and Community has worked with the State ICC, the Bureau of Child Development, Division of Family and Children, Family and Social Services Administration, and providers throughout the state to develop a statewide evaluation system to determine if the children, families, and communities served by First Steps are experiencing important benefits.

Beginning with nine child, family, and community outcomes, developed through input from family members, service providers, and local decision-makers, the Early Childhood Center developed a number of measurement tools to assess program impact. The measurement tools and strategies were developed to take advantage of naturally occurring events in the First Steps service process (e.g., intake, family assessment, exit/transition meetings). Existing forms were modified to enable data collection (e.g., Combined Enrollment Form, Family Interview Form, and the IFSP), and an Exit Interview form was created. After a piloting phase with five counties, final modifications to the measurement tools were made and state approval was sought and granted.

## First Steps Early Intervention System Outcomes

1. Children attain essential and important developmental skills.
2. Children participate in inclusive community activities, settings and routines.
3. Children (and families) are safe, healthy, and well nourished.
4. Families participate as members of the early intervention team and carry out recommendations that help them to help their child.
5. Families are connected to other families, associations and organizations for emotional support.
6. Families advocate by exercising their rights in requesting and choosing goals, services, and supports.
7. Communities are informed and promptly refer families to First Steps.
8. Communities welcome and fully include children with disabilities and their families (e.g. child care, transportation, retail, housing, employment).
9. Communities provide all families with access to health care services.

Statewide data collection will begin on November 1, 2002, with all entering and exiting families being asked to participate. The family's Service Coordinator is the lead person for insuring that the forms are completed and sent to the Indiana Institute. The measurement forms are posted on the state's Web site.

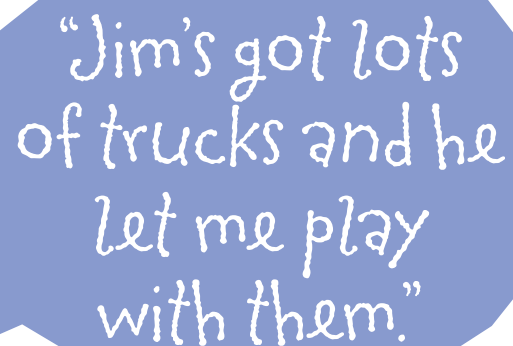


## First Steps Online

First Steps developed its Web site ([www.state.in.us/fssa/first\\_step/](http://www.state.in.us/fssa/first_step/)) to increase and improve communication with a variety of stakeholders. The site has evolved into a central repository of program and policy information offering 24-hour accessibility for families, providers, communities, and other state agencies. Pages on the Web include policy information, central directory, provider enrollment, forms, publications, data reports, and training information. The newest page includes a link to the State Transition Initiative Web site where communities can obtain assistance with transition systems development.

The online Provider Service Matrix ([www.EIKids.com](http://www.EIKids.com)) also allows parents, Service Coordinators, SPOEs, and other interested parties to search for providers enrolled with Indiana First Steps, based on criteria entered on the Web site. The matrix allows providers to share online, updated information, including their specialties, availability by service type, education, licenses, certifications,

training, counties/ZIPs served, and other comments. Providers are required to keep availability information updated on a monthly basis. The Service Provider Matrix better enables the system and stakeholders to have immediate access to the most up-to-date critical information and facilitates parents making informed choices when selecting providers. Providers can also request information on provider enrollment through the online matrix.



"Jim's got lots of trucks and he let me play with them."

—David, age 4, buddy of Jim, First Steps Transition success story

## Federal Monitoring

The United States Department of Education, Office of Special Education Programs (OSEP), selected Indiana as one of 10 states to be monitored during the 2001-2002 federal monitoring cycle. OSEP utilizes a state self-assessment as one tool in their process to measure implementation of the Individuals with Disabilities Education Act (IDEA '97). The Directors of First Steps (Part C of IDEA) and the Division of Exceptional Learners (representing Part B of IDEA) decided that the two agencies would work together and submit a combined self-assessment for Indiana.

A joint Steering Committee was utilized (representing Part B and Part C), with parents comprising the largest group of stakeholders. Part B and Part C each utilized their own subcommittees to assist the state agencies and the Steering Committee. Approximately 40 stakeholders participated as subcommittee members for Part C. The subcommittees discussed topics related to the five Part C Cluster areas: Early Intervention Services in Natural Environments, Family-Centered Services, Comprehensive Public Awareness and Child Find System, General Supervision, and Early Childhood Transition.

The Steering Committee accessed all data sources, including state and federal reports, program policy and procedure information, comments and recommendations from public meetings, System Point of Entry data, the Central Reimbursement Office provider and claims processing database, and comments and recommendations from the subcommittees. Upon review of the subcommittee recommendations, the Steering Committee determined that the Indiana First Steps program exceeded expectations in one component of Public Awareness and Child Find; met expectations in seven components in areas including Early Intervention Services in Natural Environments, Family Centered Services, Public Awareness and Child Find, and General Supervision; and fell below expectations in the Early Childhood Transitions component.

## Self-Assessment Results and Improvement Plan

Upon review of the state's self-assessment, Office of Special Education Programs (OSEP) provided feedback via conference call and encouraged First Steps staff to begin work on Indiana's improvement plan. First Steps staff drafted the improvement plan document, which was forwarded for review and discussion to the ICC. After incorporating the feedback of the ICC, the improvement plan was submitted in July 2002. The improvement plan includes strategies and timelines for meeting identified outcomes in all components of the self-assessment, including those components that were identified as meeting expectations. Particular emphasis was placed on Early Childhood Transition activities in response to the Below Expectations rating.

While Indiana awaits formal feedback from OSEP on the improvement plan, implementation of the plan has moved forward. The Request for Funds for Local Planning and Coordinating Councils distributed in July included requirements for outcomes related to transition in all proposals. The revised version of the "Transition to Early Childhood Special Education: A Guide for Parents of Children with Disabilities" was posted on the State Transition Initiative Web site in September; the Transition Web site is linked to the First Steps Web site via an icon on the First Steps home page. A two-hour training that addressed the Service Coordinator's role in the transition process was presented to all intake and ongoing Service Coordinators at mandatory regional meetings in August. Implementation of a statewide transition survey also began in August. Ball State University staff will assist with the data analysis and decisions about revisions to the survey and/or process to maximize information received. The full text of the improvement plan will be available to the public on the First Steps Web site after OSEP provides their approval on the document.



"vvrroom vvrroom!"

—Jim, age 3, a recent First Steps child and wanna be truck driver

## Cost Participation

In 2001, the Indiana Senate drafted legislation requiring the First Steps program to develop procedures to include a cost participation plan for the program. Legislation IC12-17-15-17 was passed by the General Assembly. First Steps drafted and presented the cost participation procedures to the public for input during forums co-hosted by the ICC and First Steps in 2001.

In 2002, the lead agency made revisions to the cost participation procedures based on public input and drafted a cost participation rule. The final draft of the proposed rule was published in the Indiana Register on October 1, 2002. Both the final procedures and draft rule documents were posted on the First Steps Web site and presented at public hearings in the northern, central, and southern parts of the state in fall of 2002. There were no comments at the public hearings that required making further revisions to these documents with anticipated finalization in February 2003, and publication in March 2003. Once the necessary enhancements to the First Steps data system are complete, cost participation procedures will begin in April 2003.

First Steps began sharing information about cost participation with families through their Service Coordinators in August 2002. The assessment of the co-payment will only apply to those families exceeding 350 percent of the federal poverty guidelines. For example, a family of four with an annual gross income over \$63,350 would be assessed a co-payment of \$5 per treatment session with a maximum fee of \$25 per month.

Families may request that expenses related to the medical and personal care of a family member be considered in the calculation of the family income and co-payment amount. Expenses that may be deducted from the family's gross income must be out-of-pocket expenses for which the family will not be reimbursed. Such expenses would include: health insurance co-payments and premiums, prescriptions, and hospital expenses.

Co-payments will not be collected if the family's private health insurance reimburses First Steps for services. Families will not be charged for Service Coordination, IFSP development, and evaluation and assessment activities. Families may request a review of their income as changes occur.

## Quality Assurance

First Steps' success in public awareness, child find, and providing family-centered services in the natural environment is reflected in the program's growth as evidenced in total number of children served. As of late 2002, more than 18,000 children were served. With such success in numbers, it becomes increasingly important to ensure that every child and family receives the highest quality services. Of equal importance is that early intervention funds are spent in an efficient and fiscally responsible manner.

Many current program initiatives target quality assurance and fiscal accountability. Examples such as Peer Monitoring, Federal Monitoring, the Statewide Outcomes Evaluation Process and Complaint Investigations are discussed in other parts of this document. Other initiatives are ensuring that First Steps providers are qualified, continuing their professional development, and keeping well informed on program requirements and expectations.

- First, in collaboration with the Provider Credential Unit of the Central Reimbursement Office (CRO), the lead agency completed an extensive review of all providers enrolled in the system. The review resulted in bringing provider files up to date or terminating provider agreements, and putting in place a system for ensuring all providers keep their provider information current and complete.
- Second, annual provider meetings are now required to continue to provide services to First Steps children and families. This allows the state to communicate a consistent message to all providers in the system in a face-to-face manner. Until this year, only Service Coordinators had regular mandatory meetings.
- Third, the ICC convened a taskforce to reexamine the provider enrollment and credentialing requirements and make recommendations for revisions to the lead agency.

First Steps also is implementing initiatives that target billing for First Steps services.

- First, families are encouraged to report any concerns or questions about the explanation of benefits they receive to the lead agency. These "EOB complaints" are investigated by requiring the provider to deliver their claim documentation, including the mandatory parent signature for each face-to-face visit being questioned.
- Second, a review of providers randomly chosen from a group identified as "billing excessively" led to the development of an information document that identifies common billing issues and clarifies program requirements for billing.
- Third, a First Steps Six Sigma project initiated the review of an additional random sample of providers. This project refined procedures for collecting billing review information and is expected to produce protocols for analyzing and responding to review results.

One additional initiative in process is the development of Best Practice Guidelines for early intervention services in Indiana. The ICC provided support to the lead agency to convene five workgroups to review the first draft document. The workgroups included providers representing the core disciplines, including service coordination, parents and representatives from higher education institutions that provide pre-service training to early intervention providers. The document is currently under revision by the lead agency.

## Peer Monitoring

One of the lead agency's key responsibilities is providing general supervision of programs and activities served with early intervention funding. One of the tools utilized by Indiana to accomplish this task is the implementation of a peer review process to conduct self-assessments. The intent of the peer reviews is to support the growth, improvement, accessibility, and availability of programs and services to eligible children and their families.

Peer teams representing providers, intake personnel, First Steps council participants and families conduct reviews of the local early intervention system. On-site visits consist of file reviews, interviews with parents, providers, and collaborative agencies. There is also a review of local planning activities.

During 2002, peer review teams conducted visits to approximately one-third of Indiana's counties, completing a three-year cycle of visits to all 92 counties in Indiana. Peer teams were also expected to provide follow-up visits to counties in which areas of growth were anticipated or where technical assistance was requested.


Each of Indiana's counties is very unique. The peer review teams have identified trends throughout their visits, specifically that the level of satisfaction from families remains extremely high. Parents appear to be very well informed of their rights within the program, and the visibility of First Steps is continuing to assist in the identification of optimal numbers of children at an early age. Peer review teams also have identified individual activities conducted within a county that have resulted in great success.

Peer review teams also have the responsibility to identify both local and state programs that need strengthening. Over the past year, the teams consistently identified the need for a support system for Service Coordinators and that technical assistance is needed in the area of writing outcomes. Whether these findings are an observation of excellence or one in which the program can improve, all are incorporated into a report for both the local and state program to help guide the growth of the First Steps program.

### Fiscal Challenges

Difficult decisions were required when FSSA announced Temporary Assistance for Needy Families (TANF) and Social Services Block Grant (SSBG) reductions that meant cuts to many programs, including First Steps. The challenge was to reduce the budget for early intervention services by \$2,700,000. The governor approved FSSA's proposal to accomplish this goal by reducing reimbursement rates to providers for some First Steps services by 6 percent. Rates for Service Coordination, Evaluation and Assessment, and IFSP development were not included in the cuts that go into effect in October 2003.

In addition to current initiatives to manage costs and improve fiscal accountability, the lead agency will continue ongoing efforts to maximize access to all potential funding sources.

A stylized illustration of a child's head in profile, facing right. The head is brown with a large, dark brown afro. A blue speech bubble originates from the mouth area, containing the text "I like this place. Teacher makes good snacks." in a white, handwritten-style font.

"I like this place.  
Teacher makes  
good snacks."

- Penny, age 2 years and 9 months,  
First Steps child enrolled in an Indiana  
licensed child care center

### State Complaints: Issues and Resolutions

**Number:** 004-2001

**Complaint:** Lack of adequate Service Coordination activities and the facilitation of transition out of early intervention.

**Federal Code:** 303.23

**Indiana Code:** 470 IAC 3.1-10-2

**Resolution:** The provider was disenrolled due to lack of Service Coordinator activities.

**Number:** 005-2002

**Complaint:** Lack of adequate Service Coordination activities and the facilitation of transition out of early intervention.

**Federal Code:** 303.23

**Indiana Code:** 470 IAC 3.1-9-1 and 470 IAC 3.1-10-2

**Resolution:** The provider was disenrolled due to lack of Service Coordinator activities.

**Number:** 006-2002

**Complaint:** Lack of adequate Service Coordination activities and the facilitation of transition out of early intervention.

**Federal Code:** 303.23

**Indiana Code:** 470 IAC 3.1-9-1 and 470 IAC 3.1-10-2

**Resolution:** The provider was disenrolled due to lack of Service Coordinator activities.

**Number:** 007-2002

**Complaint:** Lack of adequate Service Coordination activities and the facilitation of transition out of early intervention.

**Federal Code:** 303.23

**Indiana Code:** 470 IAC 3.1-9-1 and 470 IAC 3.1-10-2

**Resolution:** The provider was found to not conduct timely review of IFSP and provided inadequate documentation to support the active provision of Service Coordination during a four-month period. The provider was placed on probation and required to attend additional training. The provider voluntarily disenrolled.

“My baby  
sister says  
my first name  
now!”

—Sammy, age 7, brother of Sheri, First Steps therapy recipient

“sammy!”

—Sheri, age 2 and 7 months, First Steps participant

## Funding and Fiscal Responsibility

Indiana First Steps Early Intervention System facilitates and coordinates federal, state, local, and private resources for the payment of early intervention services for Hoosier families. The following funds are managed directly by Indiana First Steps.

### Summary of Funding

Funds	Revenues	Type of Activities Supported
Federal IDEA Part C	\$7,890,744	All Early Intervention Direct Services, Coordination and Administration
Social Services Block Grant Early Intervention	\$10,945,470	All Early Intervention Direct Services
State Early Intervention	\$7,308,471	All Early Intervention Direct Services, Coordination and Administration
TANF Federal and State Maintenance of Effort (MOE)	\$30,184,609	Service Coordination, Special Instruction, Family Training, Medical Services
<b>Total:</b>	<b>\$56,329,294</b>	

The following sources of funding, although not administered by First Steps, are utilized in coordination of payments and are listed with projected funding levels:

Title V – Social Security Act (Maternal/Child Health), Indiana Children’s Special Health Care Services	\$92,385	Early Intervention Medical/Therapy Services
Title XIX – Social Security Act (Medicaid and EPSDT)	\$10,728,775	Early Intervention Medical/Therapy Services
<b>Total:</b>	<b>\$10,821,160</b>	

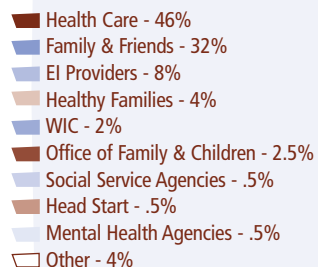
These sources are all addressed in the Interagency Agreement for Provision of Services to Young Children.

## Analysis of Children Served and Referred to the Child Find System

The core mission of First Steps is to target developmentally at-risk children early on. Doing so increases each child's chances to receive the assistance and care that is necessary to better overcome his or her developmental hurdles. First Steps is welcoming more children and their families each year into the early intervention program. Our Child Count graph provides a clear picture of our progress in the total number of children served over a five-year span. Critical developmental stages are the benchmarks for when families enter the First Steps system:

- Biological risk factors from birth to within the first year.
- Physical coordination and movement risk factors during the second year.
- Speech, hearing, and language delays up to the third year.

### Primary Referral Source



## Program Eligibility

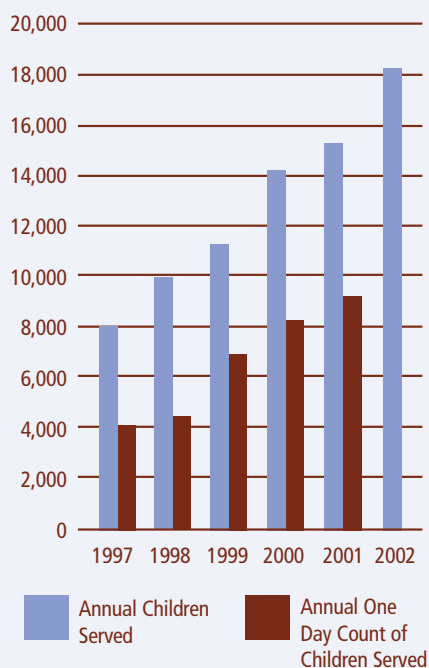
- 20% Delay - 53%
- 15% Delay - 22%
- Medical Conditions - 20%
- At Risk - 5%

## Services

The report on number of children with IFSPs authorizing the services below as of December 1, 2001:

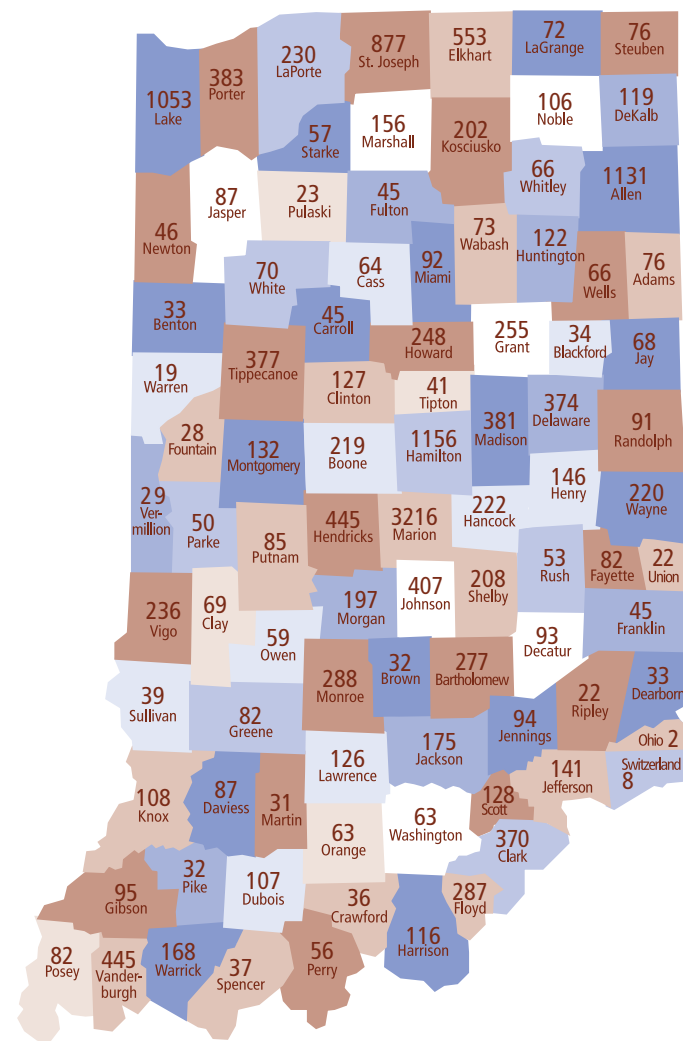
Assistive Technology Services/Devices - 1,087  
Audiology - 1,720  
Family Training, Counseling, etc. - 725  
Health Services - 27  
Medical Services (diagnostic or evaluation only) - 18  
Nursing Services - 109  
Nutrition Services - 591  
Occupational Therapy - 5,692  
Physical Therapy - 5,297  
Psychological Services - 342  
Social Work Services - 141  
Developmental Therapy (special instruction) - 6,210  
Speech-Language Pathology - 5,958  
Transportation - 69  
Vision Services - 207  
Other Early Intervention Services - 210

## Child Count



## Statewide Child Count - December 1, 2001

On December 1, 2001, First Steps counted 9,165 infants and toddlers as receiving services through the system. By September 30, 2002, an aggregate total of 18,120 children received services through Indiana's First Steps system.





### Future directions from the Part C Coordinator

In my first year as Part C Coordinator, I have worked with our numerous partners and listened to many First Steps families, providers, and council members share their thoughts about the value of early intervention as well as their ideas for the future. Many are reluctant to make changes to our system fearing the loss of things gained. It is normal that talk of change produces a certain amount of anxiety, but anytime a program grows at the rate that Indiana's First Steps Early Intervention System has, it is wise to revisit the systems in place to support the program's activities.

Many current program initiatives target quality assurance and fiscal accountability and are reported throughout this document. Programs such as Peer Monitoring and the Statewide Outcomes Evaluation Process have been in place or in process for several years. One of the changes coming in 2003 is a schedule to step up county monitoring from every three years to every two. Additionally, the actual process of the peer review has expanded to include individual provider billing and credentialing documentation. The Statewide Outcomes Evaluation Process implemented in the fall of 2002 is expected to yield data to support the efficacy of our early intervention program and identify areas for improvement in 2003. A new initiative, Eligibility Determination Teams, also began its pilot in the fall of 2002 in central Indiana. This program will roll out to other counties in 2003.

Last year, First Steps completed a self-assessment as part of the federal monitoring process. Results identified transition as an area needing improvement. While transitions present many challenges, we all must strive to improve this process for children with special needs and their families. Working closely with the Division of Exceptional Learners in the Department of Education, an improvement plan was submitted in July 2002. While the Office of Special Education Programs completes a review of the plan, we are beginning to implement several strategies to improve outcomes in this area.

This annual status report to the Governor challenges everyone working for and benefiting from the First Steps program to look beyond our successes and see the work that remains to be done. Our federal partners require us to see beyond the numbers and to ensure that every eligible child and family receives quality early intervention services. With the state's current fiscal situation, First Steps must also be prepared to answer tough questions about cost management. We must ensure that every dollar available to support early intervention in Indiana is spent efficiently and responsibly. As cost participation legislation is implemented, we will closely monitor anticipated revenue from family co-pays and private insurance, as well as any potential impact on families' decisions to enroll in the program.

As we work together to meet the challenges we face, the preservation of the system's strengths will remain a priority. I encourage everyone to support the necessary changes that allow us to continue to be proud of our accomplishments within Indiana's First Steps Program.



**J. Lanier DeGrella**  
Part C Coordinator  
Bureau of Child Development  
First Steps



"Thank you  
First Steps!"

— Jay, First Steps graduate

— Leesa, First Steps rookie